

1. The meeting was called to order at 5:06 pm.
2. The Pledge of Allegiance was led by Mayor Moser.
3. Roll Call: Harold Merritt, Jack Davis, and Mayor Moser were present. Kevin Sair arrived late. Neil Duncan was excused. Dale Harris, the Operator, was present. Nathan Bronemann took minutes. Legal Counsel was excused. Rod Mills of Ensign Engineering was present.
4. Declarations of conflict of interests.

None stated.

5. Discussion on the 2012 and 2013 budgets

Rod Mills reported that he and Nathan Bronemann had been working on the budget and had some tentative numbers. He explained what operating income was estimated for the last two months of 2012 and 2013. He said in November the customers would be charged the old rate and in December everyone would be charged the new rate, which also includes standby fees. Based on the new rates, the total operating income for 2013 was estimated to be \$147,696. He said that there were several expenses that had been accrued and that were owed to the Town of Apple Valley.

Mayor Moser said the operator would have to spend some time with the Apple Valley and Cedar Point Water Companies' meter readers to figure out where all of the meters are located. It was recommended to budget \$1,000 to pay the operator through the end of 2012.

Mayor Moser said that another public notice would be needed to approve the budget and so the 2012 budget for public postings should be set at \$2,000 (as 1,785 had already been spent.)

Rod Mills explained what operating expenses were expected in the last two months of 2012 and 2013. He said professional services should only be about \$15,000 for the operating portion.

Mayor Moser said that since the expenditures would be over \$350,000 for the year, an audit would be required. Estimated expense for the audit was \$2,000.

Dale Harris stated that there were several water tests that needed to be done periodically. He estimated about \$100 per month to pay for the required tests.

Mayor Moser suggested that the SSD purchase the Town's Ford F250 that isn't in the best shape, but that runs. He said that the Town could likely sell it to the SSD for about \$500 for the operator to use to read meters and maintain the system. He offered to rent a storage unit to the SSD for \$75 per month in order to store tools and materials to maintain the system. With backhoe rental paid to the Town of \$1,800 per year, tools, the truck and supplies, System Equipment was estimated at \$2,150 in 2012 and \$5,000 in 2013.

See attached tentative budget for a complete breakdown.

6. Request for a closed session
None requested.

7. Adjournment

Motion made by Mayor Moser to adjourn the meeting. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

Meeting adjourned at approximately 6:06 PM.

Date approved: _____

ATTEST BY: _____
Nathan Bronemann

Chairman Harold Merritt